

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**FISCAL IMPACT STATEMENT**

**LS 7740**

**BILL NUMBER:** SB 553

**NOTE PREPARED:** Jan 16, 2007

**BILL AMENDED:**

**SUBJECT:** Secretary of State Fees.

**FIRST AUTHOR:** Sen. Drozda

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** ☒ **GENERAL**  
☒ **DEDICATED**  
**FEDERAL**

**IMPACT:** State

**Summary of Legislation:** The bill decreases certain filing fees charged by the Secretary of State, if a document is filed electronically and requires collection of an additional fee for certain filings by an electronic medium. It provides that the additional fees collected for filing certain documents by an electronic medium shall be deposited in the Electronic and Enhanced Access Fund.

**Effective Date:** Upon passage.

**Explanation of State Expenditures:**

**Explanation of State Revenues:** *State General Fund:* Fees for filings with the Secretary of State are deposited in the state General Fund. To the extent that companies, partnerships, and nonprofits would file using electronic means, revenues could be reduced by \$5 to \$15 per filing under the bill.

The table below shows the reductions for filing fees included in the bill for filings using an electronic medium.

<b>Document</b>	<b>Current Law Fee</b>	<b>Proposed Fee for Electronic Filing</b>
Business Corporation - Articles of Incorporation	\$90	\$75
Business Corporation - Application for certificate of authority	\$90	\$75
Limited Liability Partnership - Registration	\$90	\$75
Foreign Limited Liability Partnership	\$90	\$75
Limited Partnership - Certificate of Limited Partnership	\$90	\$75
Limited Partnership - Application for registration	\$90	\$75
Nonprofit - Articles of Incorporation	\$30	\$20
Nonprofit - Application for certificate of authority	\$30	\$20
Limited Liability Company - Articles of Incorporation	\$90	\$75
Limited Liability Company - Application for certificate of authority	\$90	\$75

Revenues for these specific filings are not broken out in the accounting record. Total revenues deposited in the state General Fund for filings were \$5.4 M in FY 2005 and \$6.8 M in FY 2006.

*Electronic and Enhanced Access Fund:* In addition, under the bill, with each electronic filing for a document listed in the table above, the Secretary of State would collect an additional \$5 fee for deposit in the Electronic and Enhanced Access Fund.

The Electronic and Enhanced Access Fund was established to improve and enhance the technology of, improve customer service of, and provide electronic access to the Secretary of State. The Fund may be used to acquire and finance technology for certain divisions of the Secretary of State, including the purchase or lease of hardware, software, and other appropriate goods and services. Revenues to the fund include fees established by the Secretary of State or funds allowed by law. The fund had miscellaneous revenues of \$498,618 in FY 2005 and \$523,522 in FY 2006.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Secretary of State.

**Local Agencies Affected:**

**Information Sources:** Auditor's Data, *Indiana Handbook of Taxes, Revenues, and Appropriations - FY 2006*, Legislative Services Agency.

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